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TENTH STATUS REPORT ON IWG CASESA. Active CasesCase 55 - Strategic Importance of Lead to the Soviet Bloc

At the IWG meeting of 3 December, it was agreed that with publication of IWG/WP-5b, Revised Draft Working Paper on "The Strategic Use Pattern of Lead in the Soviet Bloc" (with Attachment I of 27 November), this case could be considered closed. It was agreed, further, that this would be considered a completed paper, and that no distribution in the R series would be made. The Chairman of JOC, however, requested through the FOA member on 25 February, IWG review of a paper on lead prepared by Mr. John Tucker, FOA. It was decided, instead, that OIR would review the intelligence data contained in the FOA paper and then, if additional intelligence was needed, specific questions would be submitted for IWG review by FOA.

Case 68 - Non-Strategic Consumer Goods Suitable for Export to European Satellites

On 17 December, the Chairman reported that IM-382, "Availability of Consumer Goods in the Soviet Bloc," was to be circulated to IWG and Executive Committee members, and that "further IWG work in the matter would be deferred pending receipt from the Executive Committee of a statement of the priority which should be assigned this study in light of other intelligence support requested of IWG". The Chairman further reviewed this matter at the 7 January meeting, reporting that IWG/AM-17 on "The Problem of Providing Intelligence for Licensing Consumer Goods to European Satellites," and IWG/ID-20, "Report on Status of Consumers' Goods List," had been furnished to EDAC. He confirmed his previous notice regarding distribution of IM-382. This case will be closed if further instructions on the subject are not received from the Executive Committee.

Case 73 - The Metalworking Machinery Situation in the Soviet Bloc

This case was initiated on 22 January in response to a request of the Ad Hoc Security List Working Group for information to be used in a review of the strategic importance of items of metalworking machinery. Work on this paper is in progress in CIA.

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Case 74 - Phenol: Uses and Availabilities in the Soviet Bloc

This case was initiated to provide information to the Ad Hoc Security List Working Group for use in its review of the strategic importance of phenol and phenolic resins. A CIA contribution may be expected during the early part of April.

Case 75 - Indications of Soviet Bloc Uses and Supply of Titanium Ores

CIA has undertaken to assemble information on this subject in response to a request of the Coordinator, Technical Task Groups, such information to be used in connection with a proposal to remove titanium ores and concentrates from the US Positive List. This paper is scheduled for early publication.

B. Inactive Cases

No major developments occurred on the following cases during the report period, except as indicated. Members are asked to re-examine them to determine whether they may not be closed out or cancelled.

✓ Case 7 - Collection Requirements on East-West Trade

Case 26 - Bunkering of Vessels in China Trade

Case 31 - Technical Analysis of Repairs to Soviet Vessels in Port

✓ Case 36 - Intelligence Data for US Delegate to CHINGOM (MDAC has requested this case remain inactive pending further developments)

Case 49a - Diversions to the Soviet Bloc of Strategic Materials

✓ Case 56 - Proposed Study of Soviet Trade Activities and Tactics in Non-COCCOM Areas (it was agreed at the IWG meeting of 11 March that this case could remain inactive)

Case 57a - The Bearings Situation in the Soviet Bloc: Production, Requirements, Trade and Application

Case 58 - Soviet Bloc Strategic Uses of Coaxial Cable

Case 59 - Vulnerability of the Soviet Bloc to a Reduction of Mercury Imports from the West

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Case 41 - Dissemination of Economic Defense Intelligence in the Field

This case was initiated on 1 April 1953 for the purpose of preparing recommended instructions to the field for lateral distribution of current intelligence on suspected diversion of controlled commodities to the Soviet bloc. As a result of a coordinated effort by Commerce, State and CIA, instructions were formulated and circulated to Foreign Service posts by CA-1986 of 30 September 1953. This circular airgram was reproduced as IAG/ID-7, "Lateral Dissemination of Intelligence Information" and distributed to IAG. It was anticipated that similar instructions would be issued by the Department of Defense to its overseas representatives. The OSD member, however, advised the Executive Secretary on 5 March that other appropriate measures have been taken within the Department to assure cooperation of military attaches and economic defense officers in this regard. The case is closed.

Case 44 - Financial Operations of the Soviet Bloc in its Economic Relations with the Free World

IAG/R-16 of 11 March, transmitting the Subgroup report and recommendations on this subject, has been approved by all members of IAG and forwarded to the Executive Committee. Information copies have been furnished to the EIC International Trade and Finance Subcommittee.

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Case 54 - Reported Chinese Communist - Russian Agreement for Rubber Delivery

DMS on 23 July 1953 requested confirmation of a report alleging an agreement under terms of which "China must resell to Russia 45% of the rubber she obtains from Ceylon, and 40% of that which she gets elsewhere." Efforts by the intelligence community to confirm or deny this reported agreement have been unsuccessful. Accordingly, this case is cancelled.

Case 60 - Appraisal of Soviet Offers of Chrome, Manganese, Platinum and Palladium to the United States

IWG/AM-2, S-8 of 6 November indicates that a petroleum annex to this case was to be established. This annex, which was published on 15 December, has been superseded by IWG Case 72.

At the meeting of 3 December, concern was expressed over the fact that IWG/R-14 on this subject did not cover certain questions outlined in the case. In order to satisfy the need of EDAC Working Group No. V for information on world trade in chrome, manganese, platinum and palladium assistance of the Bureau of Foreign Commerce was requested by memorandum of 14 January. The requested tabular data on this subject having been forwarded to Mr. John Mellor, EDS/State, this case is closed.

Case 65 - Strategic Importance of Magnesium to the Soviet Bloc

Distribution of IWG/R-18 of 12 March, Final Report on this subject, closes this case.

Case 66 - Bunkering West of Suez of Ships Trading with Communist China

An ONI contribution, satisfying the requirements of this case, was forwarded to OSD on 22 December 1953, closing this case.

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Case 67 - Excess Bunkering in Western European Ports of Vessels
Trading with the European Soviet Bloc

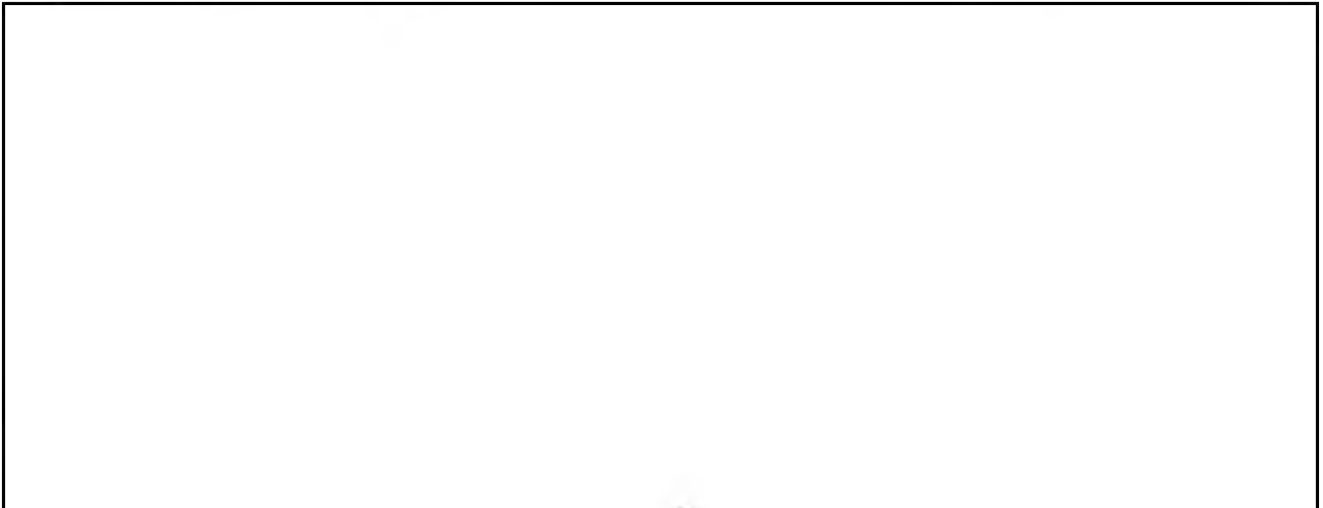
This case was established in response to an OSD request for information to guide EDAC in determining whether additional US and international controls should be recommended for the bunkering in western European ports of vessels trading with the European Soviet bloc. This requirement was to be served on ONI, with such assistance as might be required from State and CIA. At the meeting of 3 December, Mr. Kidd pointed out that ONI was not in a position to provide this information. It was agreed that this case could be cancelled.

Case 69 - Indications of Soviet Bloc Vulnerability to Controls of
West-East Movement of Boric Acid Borates and Boron Compounds

IWG/ID-15 of 24 November 1953 on "Indications of Soviet Bloc Vulnerability to Controls of West-East Movement of Boron Compounds" was prepared in CIA in response to a request from the Coordinator, Technical Task Group. This paper was for use by JOC in a determination of security ratings for these commodities, and as licensing guidance by the Department of Commerce. Publication of IWG/ID-15 closes the case.

Case 70 - Indications of Soviet Bloc Vulnerability to Controls of West-
East Movement of Primary Aluminum (Title I, Category B,
Item 1602)

IWG/WP-7, superseded by IWG/R-15 of 10 February, was prepared to provide information requested by the EDAC Working Group on Application and Enforcement. The original purpose of the paper was in supporting the US position on proposed 1954 Norwegian - Soviet trade agreements providing for export to the bloc of primary aluminum. Publication of the final IWG report closes this case.



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Case 72 - Soviet Bloc Offers of Petroleum and Petroleum Products to the West

This case was established to provide information on the Soviet bloc supply position, its refinery capacity and techniques, bloc transportation facilities, offers of petroleum and petroleum products to the West and the intentions underlying these offers. The case provided primarily for a joint effort by OIR and CIA to provide information needed by EDAC Working Group No. V in its overall analysis of the significance and implications of Soviet offers of strategic commodities to the West. A CIA paper, incorporating an ONI contribution, has been distributed as IWG/ID-25 of 16 March, closing this case. Note: it is understood that OIR plans to issue an Intelligence Report on the subject, rather than incorporating its information in an IWG paper, as originally anticipated.

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